

2020 Millage Rate Discussion



August 2, 2020

Georgia Law Requires Certain Disclosures Prior to the Establishment of the Annual Millage Rate for Ad Valorem Tax Purposes

- **First** - Publish the assessed taxable value of all property, the proposed mill rate, the assessed taxable values and millage rates for the preceding five calendar years. It must also indicate the percentage increase/decrease and total dollar increase/decrease. This is commonly referred to as the Current Digest and 5 Year History of Levy.
 - *this ad must appear in newspaper at least 1 week prior to adoption of mill rate.*

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- **Second** – the recommending authority must compute a “rollback” millage rate, which is the previous year’s millage rate minus the millage equivalent of the value added by reassessments of existing real property.
 - **If** the proposed rate is higher than the rollback rate, certain advertisements, press releases and public hearings must be held prior to the adoption of the final millage rate.

NOTICE

The **(County Name)** County Board of Commissioners does hereby announce that the millage rate will be set at a meeting to be held at the **Place of Meeting)** on **(Date of Meeting)** at **(Time of Meeting)** and pursuant to the requirements of O.C.G.A. § 48-5-32 does hereby publish the following presentation of the current year's tax digest and levy, along with the history of the tax digest and levy for the past five years.

CURRENT 2020 PROPERTY TAX DIGEST AND 5 YEAR HISTORY OF LEVY

C o u n t y w i d e A r e a	COUNTY WIDE		2015	2016	2017	2018	2019	2020
	V A L U E	Real & Personal	5,099,371,838	5,528,927,360	5,283,632,314	5,386,538,271	5,505,786,377	5,952,930,998
		Motor Vehicles	221,670,460	165,290,850	121,655,610	90,345,690	73,295,970	59,685,020
		Mobile Homes	16,849,509	16,044,366	15,538,379	14,687,244	13,757,083	14,009,131
		Timber - 100%	1,267,000	995,100	750,451	647,015	701,488	1,130,769
		Heavy Duty Equipment	42,756	198,500	71,738	156,345	136,987	146,122
		Gross Digest	5,339,201,563	5,711,456,176	5,421,648,492	5,492,374,565	5,593,677,905	6,027,902,040
		Less Exemptions	633,436,210	925,907,644	705,826,990	724,371,162	700,276,059	747,487,962
		NET DIGEST VALUE	4,705,765,353	4,785,548,532	4,715,821,502	4,768,003,403	4,893,401,846	5,280,414,078
	R A T E	Gross Maintenance & Operation Millage	16.3730	15.7640	16.0030	16.0550	16.3320	15.5190
		Less Rollback (Local Option Sales Tax)	6.5810	5.9700	6.2170	6.2990	6.6540	6.4740
		NET M&O MILLAGE RATE	9.7920	9.7940	9.7860	9.7560	9.6780	9.0450
TAX		TOTAL M&O TAXES LEVIED	\$46,078,854	\$46,869,662	\$46,149,029	\$46,516,641	\$47,358,343	\$47,761,345
		Net Tax \$ Increase	(\$70,835)	\$790,808	(\$720,633)	\$367,612	\$841,702	\$403,002
		Net Tax % Increase	-0.15%	1.72%	-1.54%	0.80%	1.81%	0.85%

Cautions about 5 year history ad information

- Required by state – no deviation allowed
- Assumes 100% collection rate
- Does not reflect revenue reduction from early payment discount (approximately \$400,000)

Excerpt From Ga DOR Digest Compliance Guide

(4) Advertisement of rollback rate, press release and public hearing. The procedures for the advertising of the rollback rate, issuing the required press release and holding public hearings shall be as provided in this paragraph.

(a) Procedure when rollback rate not exceeded. Whenever a recommending or levying authority proposes to adopt a millage rate that does not exceed the rollback rate calculated as defined in subparagraph (i) of paragraph (2) of this Rule, such authority shall adopt the millage rate at an advertised public meeting and at a time and place which is convenient to the taxpayers of the taxing jurisdiction, in accordance with O.C.G.A. § 48-5-32.

Timeline if Rollback Rate is Proposed:

August 2, 2020 Commission sets 2020 Proposed Mill Rates and announces date that final rates will be approved

August 7, 2020 Required 5 year history and Current Year Digest appear in newspaper and posted to web site

August 18, 2020 Commission adopts 2020 mill rates for each taxing district

Excerpt From Ga DOR Digest Compliance Guide

(b) Procedure when rollback rate is exceeded. Whenever a recommending or levying authority proposes to establish a general maintenance and operation millage rate that would require increases beyond the rollback rate calculated in subparagraph (i) of paragraph (2) of this Rule, such authority shall advise its intent to do so and *conduct at least three public hearings* in accordance with O.C.G.A. § 48-5-32.

Additional Requirements:

Press Release

Notice of Intent to Increase Property Taxes

Timeline if Rate is Proposed which exceeds Rollback Rate:

August 2, 2020

Commission sets 2020 Proposed Mill Rates and announces date that final rates will be approved

August 7, 2020

Required 5 year history and Current Year Digest appear in newspaper and posted to web site. Issue press release with required language announcing tax increase. Advertise time and date of first two public hearings.

August 14, 2020

Hold first two public hearings, advertise 3rd meeting

August 21, 2020

Hold third public hearing. Hold meeting to adopt mill rates

Augusta – Richmond County Georgia

Schedule of Proposed 2020 Millage Rates

08/02/2020

<u>MILLAGE RATE BY FUND</u>	Approved Rate 2019	Calculated Rollback Rate 2020	Difference 2019 to 2020
COUNTY-WIDE GENERAL	16.332	15.519	-0.813
SALES TAX CREDIT	6.654	6.474	-0.180
COUNTY GENERAL FUND-NET M&O	9.678	9.045	-0.633
URBAN SERVICES GENERAL	11.185	10.862	-0.323
SALES TAX CREDIT - URBAN	6.023	6.017	-0.006
URBAN SERVICES DIST.-NET M&O	5.162	4.845	-0.317
CAPITAL OUTLAY FUND	0.772	0.722	-0.050
FIRE PROTECTION	2.112	1.967	-0.145
BLYTHE-FIRE DISTRICT M&O	3.300	3.299	-0.001
COUNTY BONDS	0.000	0.000	0.000
URBAN SERVICES BONDS	0.000	0.000	0.000
URBAN SERVICE BID DISTRICT 5	0.000	0.000	0.000
URBAN SERVICE BID DISTRICT 6	0.000	0.000	0.000

Effect of Change to 2020 Rollback Rate on \$100,000 House

Value of Home	\$100,000
Percent Assessed	40%
Assessed Value	\$40,000
Homestead Exp	-\$5,000
Taxable Value	\$35,000

<u>Change Due to Rollback Rate</u>	<u>Mills</u>	<u>Suburban District</u>	<u>Urban</u>	<u>Blythe</u>
Countywide	-0.633	(\$22.16)	(\$22.16)	(\$22.16)
Capital Outlay	-0.050	(\$1.75)	(\$1.75)	(\$1.75)
Urban Service District	-0.317		(\$11.10)	
Fire Protection	-0.145	(\$5.08)		
Blythe Fire	-0.001			(\$0.04)
Total Effect of Rollback to Bill		<u>(\$28.98)</u>	<u>(\$35.00)</u>	<u>(\$23.94)</u>

Augusta - Richmond County, Georgia

2020 Tax Cap Calculations

worksheet ONLY*****7.27.2020

2020 TAX CAP CALCULATIONS

	General Fund	Urban Services Fund	Fire Protection Fund
1979 Millage Rate	16.520	25.960	2.900
1979 Millage Rate @ 7% Growth	17.676	27.777	3.103
Prior Year Digest (000,000's)	\$ 4,893	\$ 904	\$ 3,865
Current Year Digest (000,000's)	\$ 5,280	\$ 949	\$ 4,185
Gross Tax Cap Calculated	16.381	26.460	2.866
Net Millage Rate	9.045	4.845	1.967
Capital Outlay	0.722	0.000	0.000
Sales Tax Credit	6.474	6.017	0.000
Gross Millage Rate	16.241	10.862	1.967
Gross Tax Cap Calculated	16.381	26.460	2.866
Millage Rate Less Than Tax Cap	0.139	15.598	0.899
\$ Amount Less Than Tax Cap (000's)	\$ 736	\$ 14,802	\$ 3,761
% of Tax Cap	99.1%	41.1%	68.6%

NOTES:

Tax Cap Formula = (1979 Mill rate * 1.07) * (Prior Year Digest / Current Year Digest)

Sales Tax Credit is Prior Year Sales Tax Collections / Current Year Digest

Sales tax amount used in formula is taken from reconciliation sheet GL to State Report

ALL rates are currently filled in as rollback rates

Net mill rate for General Fund is Rollback rate which is .633 than 2019 rate

Net mill rate for Urban is Rollback rate which is .317 lower than 2019 rate

Net mill rate for Fire is Rollback rate which is .145 lower than 2019 rate

Mill rate for Capital Outlay is Rollback rate which is .050 lower than 2019 rate

Prior year digest taken from current year rollback sheets and may not match those from previous year tax cap calculation due to adjustments

Action Requested Today

- Motion to approve proposed 2020 mill rates for each taxing district, advertise the required 5 year history of the digest and to schedule the date of August 18, 2020 for the meeting to adopt the rates proposed.

Subsequent Events

After adoption of rates

Tax Commissioner and Tax Assessor meet with Department of Revenue to submit digest for approval.

September 15 or before

Tax Commissioner mails bills